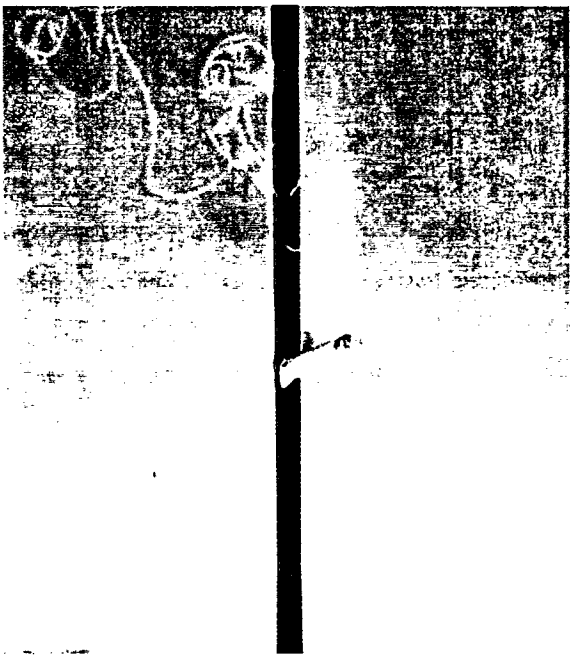
Philip Morris Advertising

Pictured here are examples of Philip Morris print advertisements—for major cigarette brands in the United States and worldwide, as well as for Miller Beer. Strong brand identification characterizes Philip Morris advertising around the world.



There are 20 cigarette holders to every pack of Parliament.

The tip of a Parliament is a cigarette holder.
We call it a holder because it works like one.
There's a firm outer shell that surrounds the filter. And then the filter is recessed—tucked back inside. Away from your lips.
So you get a clean taste.
A really good taste.
The Parliament holder.
It really works.

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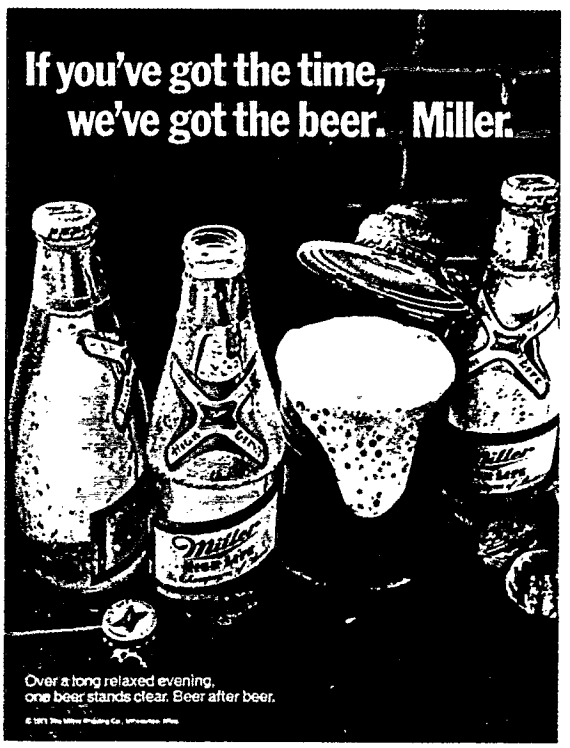
Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000



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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

The accompanying table illustrates the increase in revenues, pre-tax income, and earnings per share for the past 5, 10 and 15 year periods. The five-year compounded growth rate in earnings per share of 23% per year clearly establishes Philip Morris as a major growth company.

During the year, several affiliated companies were consolidated with the parent as a consequence of becoming wholly owned, and consolidated revenues were thereby increased by $166 million in 1970. This had the effect of interrupting the trend of improving profit margins which, on a comparable basis, would have continued to show a good improvement in 1970 (chart #1). We continue to stress greater efficiency in our manufacturing facilities combined with the highest possible quality of our products.

The company increased its capital expenditures to a record level of $40 million in 1970, as compared with $24 million in 1969. Retained earnings and depreciation continue to be well in excess of capital expenditures (chart #2).

For 1971, our capital expenditures should approach $60 million and will in all probability be greater in subsequent years. We are projecting that retained earnings and depreciation will exceed these expenditures.

In view of our rapidly expanding business, we believe a continuation of our conservative dividend policy is in the best interest of our stockholders (chart #3). In November, 1970, the Directors voted to increase the quarterly dividend from $.25 to $.30 per share. This was the third consecutive year in which the dividend has been increased, however, the dividend paid out in 1970 amounted to only 31% of per share earnings resulting in a large increase in stockholders equity.

Additionally, we believe that our stockholders benefit from our conservative dividend policy due to the high pre-tax return on stockholders equity which continues to increase (chart #4) and was approximately 33% in 1970. This was higher than the average of the 30 Dow Jones Industrial companies and well above the median for the consumer goods industry.

The expanding nature of our business, worldwide, requires constantly larger inventories, principally consisting of leaf tobacco. At December 31, 1970, inventories were $121 million greater than in the prior year. At the same time, total senior debt expanded only $10 million and continues to be well below total inventories (chart #5).

Senior long-term debt increased only slightly during the year, while the ratio of senior long-term debt to equity was further reduced to 39% from a high of 62% in 1967 (chart #6).

The ratio of total long-term debt, including subordinated debt, to equity was 82% which, we believe, represents an optimum utilization of debt and enhances the per share earnings growth. Our sinking fund requirements are quite small for the next several years and, except for the Eurodollar revolving credit, we have no debt maturities until 1979.

During 1970, approximately $44 million of subordinated convertible debentures were converted to common stock. The aggregate of these debentures at December 31, 1970, was $120 million out of an original amount of $165 million.

At the present time, the company plans no long-term financing in the U.S. As a result of the U.S. balance of payments program, it may be advisable within the next few years to sell medium- to long-term notes in the Eurodollar market to reduce the outstanding borrowing under our revolving credit agreement which was established to provide Eurodollars under the U.S. balance of payments program.

We recognize the importance of maintaining a favorable balance of payments for the U.S., the present program, however, appears to be essentially a near term expedient. For the longer term, it would seem essential that present policy be revised to achieve a more permanent solution to the U.S. problem.

During a year marked by some of the most serious financial crises of the past several decades, Philip Morris was fortunate to be in a highly liquid condition. We were able to expand our available credit from banks, and our commercial paper was always well received by investors. Although capital expenditures and investments in unconsolidated subsidiaries increased, working capital expanded, and the company ended the year in a stronger financial condition.

5-10-15-Year Growth Record

(000 Omitted)

5 Years

	1970	1965	Compounded Average Annual Growth Rate
Operating Revenues	**$1,509,540**	$704,544	**16.5%**
Pre-Tax Income	**150,008**	52,423	**23.3%**
Earnings Per Share	**3.36**	1.19	**23.1%**

10 Years

	1970	1960	Compounded Average Annual Growth Rate
Operating Revenues	**$1,509,540**	$509,332	**11.5%**
Pre-tax Income	**150,008**	44,578	**12.9%**
Earnings Per Share	**3.36**	0.91	**14.0%**

15 Years

	1970	1955	Compounded Average Annual Growth Rate
Operating Revenues	**$1,509,540**	$359,023	**10.1%**
Pre-tax Income	**150,008**	28,070	**11.8%**
Earnings Per Share	**3.36**	0.56	**12.7%**

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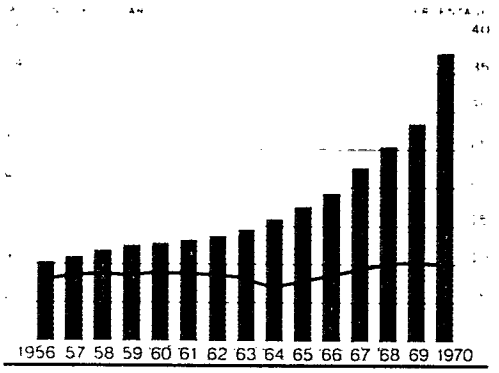
Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

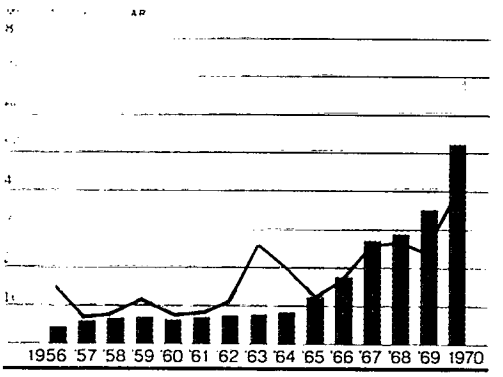
Operating Revenues ■
Pre-Tax Margins (%) —

Chart 1



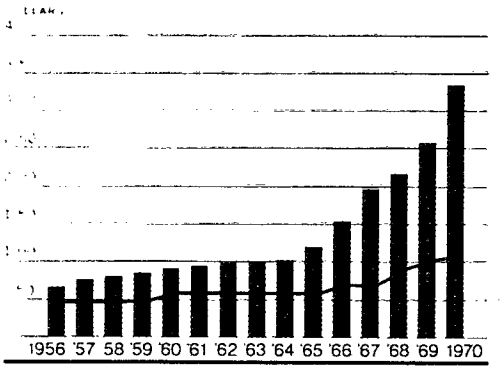
Consolidated Capital Expenditures —
Reinvested Earnings ■ Depreciation

Chart 2



Earnings per Share ■
Dividends per Share —

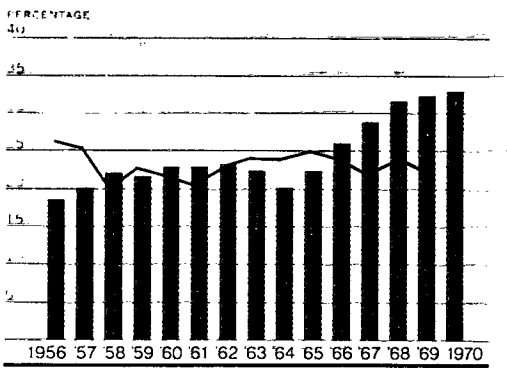
Chart 3



Pre-Tax Return on Stockholders' Equity

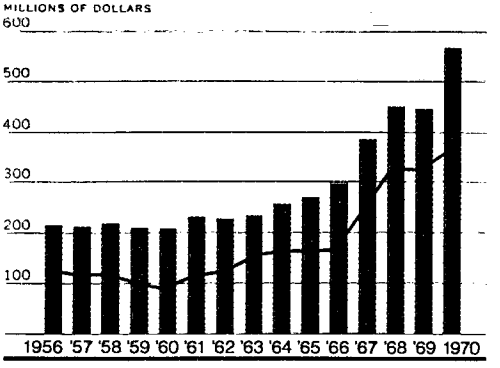
Chart 4

■ Philip Morris
— Dow Jones 30 Industrials



Total Inventories ■
Senior Debt —
(Excluding subordinated debt)

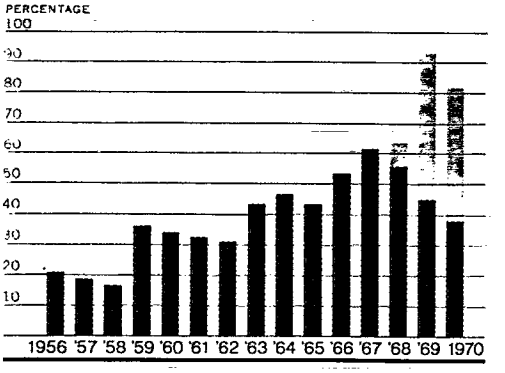
Chart 5



Long-Term Debt to Equity

Chart 6

■ Senior Long-Term Debt to Equity
▪ Subordinated Long-Term Debt to Equity



Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000 2048012272

Consolidated Balance Sheets Philip Morris Incorporated and Consolidated Subsidiaries
December 31, 1970 and 1969

	1970	1969
Assets:		
Cash and cash equivalents	$ 52,042,000	$ 41,885,000
Receivables	101,519,000	82,345,000
Inventories:		
Leaf tobacco	444,102,000	363,526,000
Other raw materials	39,152,000	24,543,000
Work in process and finished goods	85,174,000	59,250,000
	568,428,000	447,319,000
Prepaid expenses	6,848,000	3,439,000
Total current assets	728,837,000	574,988,000
Investments in and advances to unconsolidated subsidiaries and affiliates:		
Domestic	21,637,000	132,302,000
Foreign	67,752,000	95,589,000
	89,389,000	227,891,000
Property, plant and equipment, at cost:		
Land and land improvements	12,357,000	6,675,000
Buildings and building equipment	107,357,000	56,846,000
Machinery and equipment	274,374,000	173,441,000
	394,088,000	236,962,000
Less, accumulated depreciation	157,391,000	89,608,000
	236,697,000	147,354,000
Other assets	15,396,000	12,919,000
Brands, trademarks, patents and goodwill	169,105,000	13,337,000
	$1,239,424,000	$976,489,000

See notes to financial statements.

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

	1970	1969
Liabilities:		
Notes payable	$ 187,300,000	$158,400,000
Accounts payable and accrued liabilities	146,744,000	77,595,000
Federal and other income taxes	39,642,000	17,290,000
Dividends payable	7,469,000	5,832,000
Total current liabilities	381,155,000	259,117,000
Long-term debt:		
Senior	178,331,000	168,356,000
Subordinated	192,069,000	163,644,000
[illegible]erred income taxes	19,822,000	18,061,000
[illegible]erve applicable to international operations	8,618,000	5,215,000
Other, including deferred investment credit	6,580,000	6,288,000
Total liabilities	786,575,000	620,681,000
Stockholders' Equity:		
Cumulative preferred stock, par value $100 per share	25,434,000	25,765,000
Common stock, par value $1 per share	24,414,000	23,410,000
Additional paid-in capital	95,210,000	58,947,000
Earnings reinvested in the business	314,365,000	262,189,000
	459,423,000	370,311,000
Less, cost of treasury stock	6,574,000	14,503,000
	452,849,000	355,808,000
	$1,239,424,000	$976,489,000

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

Consolidated Statements of Earnings Philip Morris Incorporated and Consolidated Subsidiaries
for the years ended December 31, 1970 and 1969

	1970	1969
Operating revenues	**$1,509,540,000**	$1,142,373,000
Cost of sales:		
Cost of products sold	**577,106,000**	454,718,000
Federal and foreign excise taxes on products sold	**519,216,000**	373,333,000
Gross profit	**413,218,000**	314,322,000
Marketing, administration and research costs	**219,527,000**	165,591,000
	193,691,000	148,731,000
Equity in net earnings of unconsolidated subsidiaries:		
Domestic	**2,710,000**	2,693,000
Foreign	**6,779,000**	1,813,000
	9,489,000	4,506,000
Operating income of operating companies	**203,180,000**	153,237,000
Corporate expense	**15,310,000**	12,569,[illegible]
Interest expense	**35,425,000**	28,640,[illegible]
Other (income) deductions, net	**2,437,000**	(3,585,000)
Earnings before income taxes	**150,008,000**	115,613,000
Provision for federal and other income taxes:		
Current	**72,168,000**	53,379,000
Deferred	**342,000**	3,894,000
	72,510,000	57,273,000
Net earnings	**$ 77,498,000**	$ 58,340,000
Earnings per common share:		
Primary	**$3.36**	$2.58
Fully diluted	**$2.85**	$2.40

See notes to financial statements.

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

Consolidated Statements of Source and Application of Funds Philip Morris Incorporated and Consolidated Subsidiaries
for the years ended December 31, 1970 and 1969

[redacted]

	1970	1969
Source:		
Net earnings	**$ 77,498,000**	$ 58,340,000
Add (Deduct), items not requiring outlay of funds:		
Depreciation	**17,658,000**	13,512,000
Amortization	**958,000**	489,000
Deferred income taxes and investment credit	**342,000**	3,894,000
Equity in net earnings of unconsolidated subsidiaries	**(9,489,000)**	(4,506,000)
Dividends received from unconsolidated subsidiaries	**1,648,000**	1,356,000
Funds from operations	**88,615,000**	73,085,000
Financing:		
New long-term debt	**86,750,000**	140,000,000
Less, prepayments, and retirement of long-term debt	**4,775,000**	8,400,000
Net additional long-term debt	**81,975,000**	131,600,000
[redacted] Less, debt discount	**—**	2,603,000
Net proceeds of long-term debt	**81,975,000**	128,997,000
[redacted] Shares issued under stock options	**3,053,000**	4,911,000
Funds from financing	**85,028,000**	133,908,000
Total funds available	**$173,643,000**	$206,993,000
Application:		
Dividends	**$ 25,322,000**	$ 22,681,000
Expansion and modernization of property, plant and equipment:		
Additions	**39,595,000**	23,636,000
Disposals	**2,362,000**	662,000
Net cost of expansion and modernization	**37,233,000**	22,974,000
Investments in and advances to:		
Unconsolidated subsidiaries	**2,210,000**	27,686,000
Consolidated subsidiaries:		
Miller Brewing Company	**97,106,000**	130,000,000
Other	**13,533,000**	—
	112,849,000	157,686,000
Less working capital acquired	**33,162,000**	—
	79,687,000	157,686,000
[redacted] er, net	**(410,000)**	3,256,000
[redacted] ease in working capital	**31,811,000**	396,000
Total funds applied	**$173,643,000**	$206,993,000

See notes to financial statements.

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

Consolidated Statements of Stockholders' Equity Philip Morris Incorporated and Consolidated Subsidiaries
for the years ended December 31, 1970 and 1969

	Preferred Stock, Authorized and Issued at $100 Par Value	Common Stock, Authorized 50,000,000 Shares at $1 Par Value	Additional Paid-In Capital	Earnings Reinvested in the Business	Cost of Treasury Stock	Total Stockholders' Equity
Balance—January 1, 1969	$26,095,000	$23,088,000	$53,544,000	$226,530,000	($14,761,000)	$314,496,000
Net earnings for the year 1969				58,340,000		58,340,000
Cash dividends declared:						
Preferred stock—4% series				(562,000)		(562,000)
—3.90% series				(325,000)		(325,000)
Common stock—$.975 per share				(21,794,000)		(21,794,000)
4% Preferred stock purchased for treasury					(625,000)	(625,000)
Treasury common stock issued upon conversion of debentures			776,000		591,000	1,367,000
Proceeds from common stock issued under stock options		322,000	4,589,000			4,911,000
Preferred stock retired through sinking fund	(330,000)		38,000		292,000	
Balance—December 31, 1969	25,765,000	23,410,000	58,947,000	262,189,000	(14,503,000)	355,808,000
Net earnings for the year 1970				77,498,000		77,498,000
Cash dividends declared:						
Preferred stock—4% series				(545,000)		(545,000)
—3.90% series				(325,000)		(325,000)
Common stock—$1.05 per share				(24,452,000)		(24,452,000)
Preferred stock purchased for treasury					(596,000)	(596,000)
Treasury and unissued common stock issued upon conversion of debentures		827,000	33,343,000		8,238,000	42,408,000
Proceeds from common stock issued under stock options		177,000	2,876,000			3,053,000
Preferred stock retired through sinking fund	(331,000)		44,000		287,000	
Balance—December 31, 1970	$25,434,000	$24,414,000	$95,210,000	$314,365,000	($ 6,574,000)	$452,849,000

( ) Denotes deduction.
See notes to financial statements.

Report of Independent Certified Public Accountants

To the Board of Directors and Stockholders of Philip Morris Incorporated:

We have examined the consolidated balance sheet of PHILIP MORRIS INCORPORATED and Consolidated Subsidiaries as of December 31, 1970, and related consolidated statements of earnings and stockholders' equity and the consolidated statement of source and application of funds for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. We previously examined and reported upon the consolidated financial statements for the year ended December 31, 1969.

In our opinion, the financial statements mentioned above present fairly the financial position of Philip Morris Incorporated and consolidated subsidiaries at December 31, 1970 and 1969, and the results of their operations and the source and application of funds for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

New York, January 25, 1971.

Lybrand, Ross Bros. & Montgomery

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and all subsidiaries whose common stock is wholly-owned. Certain wholly-owned companies in the Godfrey Phillips, Limited group, included in unconsolidated subsidiaries in the 1969 financial statements while the group was being reorganized, are fully consolidated in the 1970 financial statements.

In 1969, the Company purchased approximately 53% of the capital stock of Miller Brewing Company and on July 31, 1970, acquired for $97,000,000 all of the remaining outstanding shares of Miller's capital stock. The Company's equity of 53% in the net earnings of Miller from July 1, 1969 through July 31, 1970 is shown as Equity in net earnings of Domestic unconsolidated subsidiaries in the accompanying consolidated statements of earnings; thereafter Miller's results are fully consolidated.

In addition to Miller and the Godfrey Phillips companies, three foreign subsidiaries previously unconsolidated became wholly-owned and are fully consolidated for the first time in the 1970 financial statements. Operating revenues in 1970 include $166,000,000 applicable to subsidiaries consolidated for the first time in 1970. The consolidation of these companies affected the comparability of net earnings for the years 1970 and 1969 only to a minor extent. The Company also acquired the assets and business of several small companies during 1970.

Cost in excess of net assets of Miller Brewing Company of $149,000,000 is included in brands, trademarks, patents and goodwill. The Company is not amortizing this cost because, in the opinion of management, there has been no diminution in the value of this investment.

During 1970, the Company invested $20,055,000 in convertible notes, capital stock and related options of Mission Viejo Company, a California land development company. Under the terms of the agreement, the Company will make an additional investment of $13,500,000 if the options are fully exercised, which exercise must be made in no less than three nor more than five years from December 1969. The agreement also provides for the Company to vote a majority of the stock of Mission Viejo while the options are outstanding. Exercise of all of the options and conversion of the notes would give the Company a majority interest in Mission Viejo.

The investment in Mission Viejo is included in Investments in and advances to unconsolidated domestic subsidiaries and affiliates in the accompanying December 31, 1970 balance sheet. Investments in and advances to unconsolidated subsidiaries are stated at cost adjusted for equity in undistributed earnings or losses since the dates of acquisition. Accounts of foreign subsidiaries have been translated at appropriate exchange rates.

Foreign Subsidiaries: Principal financial data for 1970 of foreign subsidiaries were as follows:

	Consolidated Subsidiaries	Unconsolidated Subsidiaries
Assets	$244,190,000	$147,446,000
Liabilities (other than due the Company)	108,298,000	53,046,000
Net assets	135,892,000	94,400,000
Company's equity	135,892,000	66,928,000
Operating revenues	345,111,000	280,806,000
Net earnings	14,147,000	10,940,000
Company's equity	14,147,000	6,779,000

Reserve Applicable to International Operations: This reserve provides for possible revaluation of investments in foreign subsidiaries which could be necessitated by governmental actions, such as currency devaluations, and for income taxes relating to undistributed earnings of foreign subsidiaries.

Inventories: Inventories are valued at the lower of cost or market. The cost of leaf tobacco is determined on an average cost basis and the cost of other inventories is determined generally on a first-in, first-out basis.

Long-Term Debt:

	December 31 1970	December 31 1969
4⅞% Sinking fund debentures, payable $2,000,000 annually (installments through 1977 will be paid with debentures purchased previously) and $12,000,000 on June 1, 1979	$ 14,580,000	$ 19,750,000
4.90% Notes, payable $2,600,000 annually from 1974 to 1988 and $16,000,000 on November 1, 1989	55,000,000	55,000,000
6⅝% Sinking fund debentures, payable $3,500,000 annually from 1976 to 1992 and $15,500,000 on October 15, 1993	75,000,000	75,000,000
75,000,000 Eurodollar revolving credit maturing $25,000,000 on March 1, 1973 and $50,000,000 on March 1, 1974. Interest on current notes is 7¾% to 12¼%	29,750,000	15,000,000
Other notes and debentures	4,201,000	3,906,000
	178,531,000	168,656,000
Less, amount included in current liabilities	200,000	300,000
Senior debt	$178,331,000	$168,356,000
10% Subordinated Notes, payable $3,600,000 annually from 1974 to 1976 and $5,760,000 annually from 1977 to 1981 and $32,400,000 on August 1, 1982. Callable in three years at no premium	$ 72,000,000	—
6% Convertible Subordinated Debentures, payable $4,000,000 annually from 1980 to 1993 and $44,000,000 on September 1, 1994. The remaining debentures are convertible at $27.75 per share into 2,924,396 shares of common stock of the Company subject to adjustment under certain conditions. Of the original issue of $100,000,000, $18,848,000 have been converted into 679,167 common shares through December 31, 1970	81,152,000	$100,000,000
4½% Subordinated Guaranteed (by Philip Morris Incorporated) Debentures of Philip Morris International Finance Corporation, payable $1,100,000 annually from 1979 to 1987 and $15,100,000 on August 1, 1988. The remaining debentures are convertible at $31.86 per share into 254,143 shares of common stock of the Parent company subject to adjustment under certain conditions. Of the original issue of $25,000,000, $16,903,000 have been converted into 530,406 common shares through December 31, 1970	8,097,000	23,646,000
4¾% Subordinated Guaranteed (by Philip Morris Incorporated) Debentures of Philip Morris International Finance Corporation, payable $1,750,000 annually from 1980 to 1988 and $24,250,000 on January 1, 1989. The remaining debentures are convertible at $36.19 per share into 851,616 shares of common stock of the Parent company subject to adjustment under certain conditions. Of the original issue of $40,000,000, $9,180,000 have been converted into 253,579 common shares through December 31, 1970	30,820,000	39,998,000
Subordinated debt	$192,069,000	$163,644,000

Generally, the long-term debt is callable, at annually decreasing premiums. The sinking fund requirements of the convertible debentures may be satisfied by the amount of debentures converted.

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Source: https://www.industrydocuments.ucsf.edu/docs/ymfl0000

Fifteen Year Financial Review

(In thousands except last eight items)

Philip Morris Incorporated and Consolidated Subsidiaries

Capital Shares:

	December 31 1970	1969
Preferred, 4% Series:		
Authorized and issued	149,872	151,871
In treasury	18,956	12,855
Outstanding	130,916	139,016
Preferred, 3.90% Series:		
Authorized and issued	104,470	105,777
In treasury	23,705	22,302
Outstanding	80,765	83,475
Common, $1 par value:		
Authorized	50,000,000	50,000,000
Issued	24,413,807	23,410,400
In treasury	254,967	845,066
Outstanding	24,158,840	22,565,334

The Company is required to set aside annually in sinking funds, amounts sufficient to redeem 1,999 shares of preferred stock, 4% Series, at $105.50 per share and 1,307 shares of 3.90% Series at $100.75 per share. Shares held in treasury at December 31, 1970 are sufficient to fulfill sinking fund requirements for the ensuing year. During the year, 10,810 shares of the preferred stock were acquired for the treasury.

The preferred stock is redeemable at any time, otherwise than through sinking funds, at $105.50 per share plus accrued dividends for 4% Series and at $100.75 per share plus accrued dividends for 3.90% Series.

During 1970, 593,463 shares of treasury common stock and 827,145 unissued shares were issued upon conversion of convertible subordinated debentures.

Stock Options: Pursuant to stock option plans approved by stockholders, common stock of the Company has been made available for option to officers and other key employees at market prices on the dates granted.

	1970	1969
Shares under option, beginning of year	513,647	710,174
Options granted	109,000	135,750
Options exercised	(176,262)	(322,482)
Options canceled	(3,674)	(9,795)
Shares under option, end of year	442,711*	513,647
Shares available for option, end of year	182,187	287,587

*At prices ranging from $11.50 to $47.75.

Dividend Restrictions: Certain of the agreements covering long-term debt and preferred stock contain restrictions with respect to the payment of dividends (other than stock dividends) on common stock and to the purchase, redemption or retirement of capital shares. At December 31, 1970 approximately $152,000,000 of consolidated earnings reinvested in the business was free of such restrictions.

Earnings per Share: Primary earnings per common share is calculated on the weighted average number of shares of common stock outstanding during each year, which was 22,806,598 in 1970 and 22,269,461 in 1969.

Fully diluted earnings per common share gives effect to the reduction in earnings per share which would result from the conversion of all outstanding convertible securities and the exercise of stock options. Convertible securities were assumed to have been converted from dates of issue and net earnings were adjusted for related interest net of its tax benefit. Funds assumed to have been received from exercise of stock options were assumed to have been used to acquire shares for the treasury at the higher of the average market price during the periods or the market price at the close of the periods. The number of shares of common stock used in this computation was 28,298,283 for 1970 and 24,779,306 for 1969.

Depreciation: Depreciation for book purposes is determined on a straight-line basis over the estimated useful lives of the depreciable property, plant and equipment. The provisions for depreciation included in the consolidated statements of earnings were $17,658,000 for the year 1970 and $13,512,000 for the year 1969.

Federal and Other Income Taxes: Deferred federal and foreign income taxes have been provided in recognition of timing differences in reporting certain items of income and expense, including depreciation, for financial statement and tax purposes.

Pension Plans: The Company and certain of its consolidated subsidiaries have pension plans covering substantially all of their employees. The total pension expense for the years 1970 and 1969, respectively, was $8,250,000 and $5,850,000, which includes amortization of prior service cost over a period of 30 years. The Company's policy is to fund accrued pension cost.

	1970	1969
Operating Revenues	$1,509,540	1,142,373
Federal Excise Taxes	372,092	319,086
Foreign Excise Taxes	147,124	54,247
Earnings Before Income Taxes	150,008	115,613
Pre-Tax Profit Margins	9.9%	10.1%
Net Earnings	77,498	58,340
Dividends Declared: Common	24,452	21,794
Dividends Declared: Preferred	870	887
Net Earnings Reinvested	52,176	35,659
% of Net Earnings Reinvested	67.3%	61.1%
Capital Expenditures	39,595	23,636
Annual Depreciation	17,658	13,512
Property, Plant & Equipment (Gross)	394,088	236
Property, Plant & Equipment (Net)	236,697	147
Inventories	568,428	447,319
Current Assets	728,837	574,988
Working Capital	347,682	315,871
Total Assets	1,239,424	976,489
Short-Term Debt	187,100	158,100
Senior Long-Term Debt	178,500	168,700
Subordinated Long-Term Debt	192,100	163,600
Total Debt	557,700	490,400
Stockholders' Equity	452,849	355,808
No. of Common Shares—Actual	24,158,840	22,565,334
No. of Common Shares—Weighted Average	22,806,598	22,269,461
Primary Earnings Per Common Share	$3.36	2.58
Fully Diluted Earnings Per Common Share	2.85	2.40
Dividend Declared Per Common Share	1.05	.98
Book Value Per Common Share	17.87	14.78
Market Price of Common Share High-Low	50¼-28	36⅜-25⅛
Closing Price 12/31	49½	35¾

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1968	1967	1966	1965	1964	1963	1962	1961	1960	1959	1958	1957	1956
1,019,846	904,841	771,975	704,544	641,439	585,059	550,624	529,127	509,332	499,598	473,552	439,920	410,263
295,903	271,073	234,975	214,128	194,312	193,768	187,133	184,146	175,947	168,608	163,023	151,646	144,165
41,841	39,658	30,057	27,780	22,462	8,276	3,785	—	—	—	—	—	—
100,107	81,317	65,144	52,423	44,466	46,729	47,464	45,985	44,578	41,159	39,854	35,740	31,781
9.8%	9.0%	8.4%	7.4%	6.9%	8.0%	8.6%	8.7%	8.8%	8.2%	8.4%	8.1%	7.7%
48,866	43,601	34,183	26,509	22,614	22,052	21,946	21,511	20,984	19,590	18,705	17,441	15,544
18,755	15,226	15,101	12,896	12,867	12,855	13,046	13,212	13,085	11,140	10,467	10,017	9,516
922	922	923	943	953	953	953	970	1,011	1,024	1,037	1,039	1,041
29,189	27,453	18,159	12,670	8,794	8,244	7,947	7,329	6,888	7,426	7,201	6,385	4,987
60.0%	63.0%	53.1%	47.8%	38.9%	37.4%	36.2%	34.1%	32.8%	37.9%	38.5%	36.6%	32.1%
26,373	25,688	17,089	12,078	19,366	26,243	11,843	8,733	7,300	12,380	8,580	8,337	13,830
12,139	10,903	9,532	8,857	8,316	6,765	6,293	5,638	5,362	4,932	4,981	4,472	3,872
[redacted]346	193,656	172,593	159,759	153,224	139,595	110,204	99,066	93,641	90,050	80,906	74,009	68,464
[redacted]704	123,555	110,157	104,044	102,417	93,150	68,664	61,560	59,960	59,655	53,444	51,024	48,717
[redacted]922	386,576	297,761	271,823	257,256	235,375	228,088	232,541	209,326	210,967	219,744	213,209	215,188
561,685	485,908	372,895	339,082	318,978	297,295	279,068	277,350	249,819	252,239	271,658	263,210	263,152
312,406	306,172	253,257	213,826	202,810	190,982	179,222	190,859	190,423	187,404	150,103	149,063	148,144
786,578	648,994	512,549	466,277	443,438	412,543	365,024	351,018	321,717	321,620	333,489	327,224	324,927
153,800	82,600	27,200	57,300	56,700	53,800	57,400	45,200	21,000	30,000	89,400	84,200	85,200
176,000	173,800	133,800	100,800	102,300	91,400	63,400	65,400	67,400	69,100	30,600	33,700	36,500
25,000	—	—	—	—	—	—	—	—	—	—	—	—
354,800	256,400	161,000	158,100	159,000	145,200	120,800	110,600	88,400	99,100	120,000	117,900	121,700
314,496	280,186	249,821	230,677	217,783	208,711	201,720	199,685	195,956	189,317	181,352	179,352	167,518
22,200,308	21,830,874	21,613,344	21,521,730	21,458,478	21,429,444	21,526,428	21,972,954	22,029,792	21,937,686	21,774,654	21,728,070	21,728,070
21,928,890	21,674,884											
2.18	1.97	1.54	1.19	1.01	.99	.98	.94	.91	.85	.81	.76	.67
2.14	1.94	1.54	1.19	1.01	.99	.98	.94	.91	.85	.81	.76	.67
.85	.70	.70	.60	.60	.60	.60	.60	.60	.52	.50	.50	.50
13.12	11.77	10.48	9.63	9.03	8.62	8.25	7.99	7.74	7.47	7.13	7.05	6.78
34¼-22	28¾-15¾	17⅞-12¼	16⅛-12⅛	14⅛-11¼	15-11⅛	18¾-10⅛	20⅞-13	13½-10	10⅞-9	10¼-8⅞	7⅝-6⅜	7⅞-6½
32	22¼	17	14¾	12¼	12⅜	12¼	18⅜	13⅜	10⅜	10¼	7⅛	7

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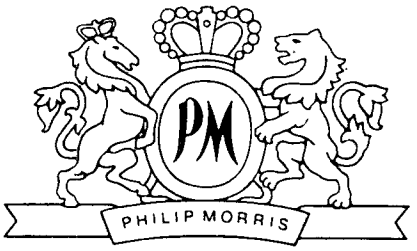

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